

FISCAL MEMORANDUM
HB 2989 – SB 3308

April 10, 2008

SUMMARY OF AMENDMENT (015740): Deletes the language of the original bill. Requires the University of Tennessee (UT) Institute of Agriculture to administer as a pilot project an incentive program for graduates of the UT College of Veterinary Medicine who wish to locate their veterinary practices in underserved rural Tennessee communities. The incentive program will be known as the Tennessee Rural Veterinary Services (TRVS) Program.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Expenditures – Exceeds \$100,000/FY08-09
Exceeds \$200,000/FY09-10
Exceeds \$300,000/FY10-11
Exceeds \$400,000/FY11/12
Exceeds \$500,000/FY12/13
and Subsequent Years

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

Assumptions applied to amendment:

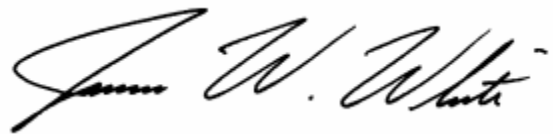
- The amount of the incentive award will be in an amount to be established by UT.
- Recipients of these funds must agree to practice veterinary medicine full-time in an underserved rural area of Tennessee for at least five years.
- No more than five recipients of the incentive award will be selected in an academic year.
- The number of students participating in the program at any given time is estimated to be small (no more than 25 students).
- Private funds and state appropriations may be used to fund the program. Unused funds will not revert to the general fund but will be used for future student incentive awards.
- The availability of incentive awards will be subject to the appropriation of funds in each year's general appropriation act.

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- According to UT, the cost to attend the veterinary school is \$14,590 (in-state tuition and fees) per student per year and \$38,658 (out-of-state tuition and fees).
- Approximately 70 percent of students who attend veterinary school are in-state students.
- The cost for five students (four in-state students and one out-of-state student) to attend is estimated to be \$97,018 per year. The cost of the program would increase \$97,018 for each additional five students for five years. The cost of the program in year five and succeeding years is estimated to be \$485,090 (25 students).
- UT is authorized to promulgate rules and is required to report to the General Assembly by February 15, 2009, and each year thereafter its findings concerning the overall performance and success of the program.
- Any cost to UT to administer the program and to report to the General Assembly is estimated to be not significant and can be handled within the existing budget.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "James W. White". The signature is fluid and cursive, with the first name "James" written in a smaller, more compact script than the last name "White".

James W. White, Executive Director

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